GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:16
ANSWERED ON:17.07.2017
Scrapping of DGS&D
Boianapalli Shri Vinod Kumar;Sreeramulu Shri B.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to scrap its public procurement wing called the Directorate General of Supplies and Disposals (DGS&D), if so, the details thereof and the reasons therefor;
(b) whether the Government also proposes to introduce an alternative system in place of DGS&D and if so, the details thereof;
(c) whether the Government is planning to set up a technology-driven platform to facilitate procurement of goods and services by various Ministries and agencies of the Government in line with the "Buy American" policy of USA and if so, the details thereof;
(d) whether the present employees and officers working in DGS&D are going to be migrated to the new system or to be outsourced; and
(e) if so, the details thereof along with the progress made by the Government in this regard, till date?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) to e): A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 16 FOR ANSWER ON 17TH JULY, 2017
REGARDING "SCRAPPING OF DGS&D".

(a)& (b): With a view to bring in more transparency, accountability and efficiency in public procurement, Government has decided to have a technology driven platform called Government e- Marketplace (GeM). This is a completely online procurement platform right from registration upto payment to suppliers. Government has also decided to set up a Special Purpose Vehicle (SPV) called Government e-Marketplace (GeM SPV) as a 100% Government owned Section 8 Company registered under the Companies Act, 2013, for setting up and operating the GeM system.
GeM SPV has been incorporated on 17th May, 2017 and CEO has also been appointed.
(C): The Government has notified Public Procurement (preference to Make in India) Policy on 15.06.2017 issued by Department of Industrial Policy & Promotion (DIPP). As per Clause 8 of this Policy in respect of procurement through the Government e-Marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
(d) and (e): GeM shall engage both Government officials including DGS&D officials as well as professionals in order to carry out its work in the most efficient manner.
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